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COMMONWEALTH OF VIRGINIA

STATE CORPORATION COMMISSION

AT RICHMOND, OCTOBER 15, 2001

APPLICATIONS OF

AMERADA HESS CORPORATION

CASE NO. PUE010478

For a permanent license to conduct business as an electric and natural gas competitive service provider and as an aggregator

and

AMERADA HESS CORPORATION

CASE NO. PUE000472

For a license to conduct business as a competitive service provider in electric and natural gas retail access pilot programs

ORDER GRANTING LICENSES

On August 29, 2001, Amerada Hess Corporation ("Amerada" or "the Company"), filed an application with the State Corporation Commission ("Commission") to convert its pilot licenses, License Nos. PE-9, PG-7, and PA-5, to a permanent license to provide competitive electric, natural gas, and aggregation services within the same LDC service territories and for the same

access pilot programs of Virginia Electric and Power Company ("Virginia Power"), Appalachian Power Company d/b/a American Electric Power ("AEP-VA"), Rappahannock Electric Cooperative ("REC"), Washington Gas Light Company

("WGL"), and Columbia Gas of Virginia ("CGV").

 $^{^{1}}$ These licenses, issued in Case No. PUE000472, authorize Amerada to provide competitive electric, natural gas, and aggregation services in the retail

customer classes it is licensed to serve in the pilots. The Company attested that it would abide by all applicable regulations of the Commission as required by 20 VAC 5-312-40 of the Commission's Rules Governing Retail Access to Competitive Energy Services ("Retail Access Rules").

On September 13, 2001, the Commission issued its Order For Notice and Comment, establishing this case, requiring Amerada to provide notice of its application to each electric and gas utility in Virginia, and providing for the receipt of comments from the public. No comments from the public on Amerada's application were received.

On October 5, 2001, Staff filed a response to Amerada's application. In its response, Staff advised that it did not oppose Amerada's application. However, Staff recommended that Case No. PUE000472, the docket in which the Commission granted the Company its retail access pilot licenses, be closed, and that Amerada be directed to file the reports required by the Commission's Interim Rules Governing Electric and Natural Gas Retail Access Pilot Programs, 20 VAC 5-311-10 et seq. ("Interim Rules"), in the captioned docket, Case No. PUE010478. The Staff contends that this action would result in the efficient administration of the Commission's docket.

NOW UPON consideration of Amerada's application to convert its present licenses to permanent licenses to conduct these

activities, and the Staff's report, the Commission is of the opinion and finds that Amerada's request should be granted; that Case No. PUE000472 be closed; and that any reports that Amerada must file in accordance with the Interim Rules be filed in the captioned docket, Case No. PUE010478.

Accordingly, IT IS ORDERED THAT:

- (1) Amerada's pilot license, License No. PE-9, is hereby cancelled and replaced with License No. E-4 for the provision of competitive electric service to commercial and industrial customers in Virginia Power, AEP-VA and REC's service territories in accordance with the terms of these pilot programs and the Retail Access Rules.
- (2) Amerada's pilot license, License No. PG-7, is hereby cancelled and replaced with License No. G-7 to provide competitive natural gas service to commercial and industrial customers in conjunction with the retail access programs of WGL and CGV in accordance with the terms of CGV's pilot program and the Retail Access Rules.
- (3) Amerada's pilot license, License No. PA-5, is hereby cancelled and replaced with License No. A-5 to provide aggregation services to commercial and industrial customers in conjunction with the retail access programs of Virginia Power, AEP-VA, REC, WGL, and CGV in accordance with the terms of these pilot programs and the Retail Access Rules.

- (4) These licenses are not valid authority for the provision of any product or service not identified within the license itself.
- (5) Failure of Amerada Hess Corporation to comply with the Interim Rules, the Retail Access Rules, the provisions of this Order, other State Corporation Commission orders and rules, or other applicable state or federal laws may result in an enforcement action by the Commission including, without limitation, the revocation, suspension, or modification of the license granted herein, the refusal to renew such licenses, the imposition of appropriate fines and penalties, or such other additional actions as may be necessary to protect the public interest.
 - (6) Case No. PUE000472 is hereby dismissed.
- (7) This matter shall remain open pending the receipt of any reports required by the Interim Rules and the Retail Access Rules.